

WYCLIFFE HALL

- OXFORD -



Risk Management Policy

Purpose of this Document

1. This risk management policy forms part of Wycliffe Hall's internal control and corporate governance arrangements.
2. The policy explains the Hall's approach to risk management and documents the roles and responsibilities of the Hall Council and of the Senior Management Team. The document also outlines key aspects of the risk management process, and identifies the main reporting procedures.
3. In addition, it describes the process that will be used to evaluate the effectiveness of the Hall's internal control procedures.

Approach to Risk Management

4. Wycliffe Hall follows and adopts good practice in the identification, evaluation and control of risks to ensure that, as far as reasonably practicable, risks are avoided or reduced to an acceptable level. Although it is acknowledged that risks exist and can never be eliminated, it is important that all members and staff are aware of risk associated with their area of work. The following key principles outline the Hall's approach to risk management:
 - the Hall Council has responsibility for overseeing risk management within the Hall as a whole and adopts an open and receptive approach to solving risk problems. The Council may choose to delegate detailed discussion of risk issues to the Finance Committee, but cannot delegate its ultimate responsibility.
 - the Senior Management Team advises on and implements policies approved by the Hall Council and is responsible for encouraging good risk management practice within individual areas of responsibility. Key risks will be identified and monitored on a regular basis.

Role of the Hall Council

5. The Hall Council has a fundamental role to play in the management of risk. Its role is to:
 - a) Integrate risk management into the culture of Wycliffe Hall. This includes:
 - determining the Hall's approach to risk as a whole or on any relevant individual issue;
 - determining which types of risk are acceptable and which are not;
 - setting the standards and expectations of members and staff with respect to conduct and probity;
 - considering legal compliance as a minimum standard;

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- anticipating and responding, whenever possible, to changing social, environmental and legislative requirements; and
 - raising awareness of the need for risk management
- b) Take major decisions affecting the Hall's risk profile or exposure.
 - c) Monitor the management of significant risks to reduce the likelihood of unwelcome surprises.
 - d) Ensure that the less significant risks are being actively managed, with the appropriate controls in place and working effectively.
 - e) Delegate to the Senior Management Team specific aspects of the work outlined above.
 - f) Annually review, through reporting from the Senior Management Team, the Hall's approach to risk management and approve changes or improvements to key elements of its processes and procedures.

Role of the Senior Management Team

6. Key roles of the Senior Management Team are to:
 - a) Implement policies on risk management including provision of adequate training in key risk areas.
 - b) Identify and evaluate the significant risks faced by the Hall for consideration by the Hall Council.
 - c) Provide adequate information in a timely manner to the Hall Council and its committees on the status of risk and controls.
 - d) Provide co-ordination with University policies, especially as expressed through the Conference of Colleges.
 - e) Undertake an annual review of effectiveness of the systems of internal control and report to the Hall Council.
 - f) Facilitate the identification, assessment and monitoring of major risks faced by the Hall.

Risk Management and the Systems of Internal Control

7. Wycliffe Hall's risk management policy includes systems of internal controls. These controls encompass a number of elements that together facilitate an effective and efficient operation, enabling the Hall to respond to a variety of operational, financial, and commercial risks. These elements include:
 - a) Policies and Procedures
Attached to significant risks are a series of policies that underpin the internal control process. The policies are set by the Hall Council (or the Finance Committees) and implemented and communicated by the Senior Management Team to staff. Written procedures support the policies where appropriate.
 - b) Regular Reporting
Regular reporting is designed to monitor key risks and their controls. Decisions to rectify problems identified are made at regular meetings of the relevant committees of the Hall Council and, if appropriate, of the Hall Council itself.
 - c) Planning and Budgeting
The planning and budgeting process may be used to set objectives, agree action plans, and allocate resources. Progress towards achieving plan objectives could then be monitored regularly.

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- d) [Risk Management Assessment](#)
A risk management assessment is compiled by the Senior Management Team and helps to facilitate the identification, assessment and monitoring of major risks to which the Hall is exposed. The document is formally reviewed annually but emerging risks are added as required, and improvement actions and risk indicators are monitored regularly.
A risk is the threat or possibility that an action or event will adversely (or beneficially) affect Wycliffe Hall's ability to achieve its objectives. The purpose of risk management is to reduce the likelihood of something damaging happening, and/or to limit its adverse consequences. Risk may be considered as having two elements: its probability of occurring and its resulting impact or damage to the organisation's reputation or capability.
- e) [Departmental Responsibilities](#)
Members of staff with departmental responsibilities are encouraged to develop and use this approach to ensure that significant risks in their area of responsibility are appropriately identified, assessed and monitored.
- f) [External Audit](#)
External audit of the financial statements provides information and advice to the Hall Council on the operation of the internal financial controls reviewed as part of the annual audit. Other external audits (eg Health and Safety and HR) may also be carried out and their results will be periodically reported to the Hall Council.

Annual Review of Effectiveness

8. The Hall Council is responsible for reviewing annually the effectiveness of the Hall's internal control, based on information provided by the Senior Management Team. The Hall Council will:
- review the previous year and examine the Hall's track record on risk management and internal control,
 - consider the internal and external risk profile of the coming year and consider if current internal control arrangements are likely to be effective.

Risk Assessment

Illustrative Classification of Risk Impact Assessments

Scale	Financial Impact	Non-Financial Impacts
5	£2m +	Hall obliged to cease or radically curtail operations
4	£500,000 – 2m	Significant disruption to operations and delivery of educational services Regulatory enforcement, temporary suspension of activities Adverse media comment that has a long term impact on the Hall’s image and reputation
3	£100,000 – 500,000	Significant threat to one of the Hall’s major objectives or activities Failure in meeting “customer” expectations and needs leads to a significant erosion of confidence Adverse media comment or regulatory action or fine that has a short term reputation impact, requiring corrective actions and dedicated additional resources to rectify and recover
2	£10,000 – 100,000	Significant impact on current year plans, requiring management attention and resources to mitigate. Potential to impact longer term objectives Minor regulatory breach resulting in no actions or fines if rectified
1	£0 – 10,000	Internal service standards not met or delayed (up to 3 months) Impact can be managed within existing resources, processes and budgets

Illustrative classification of likelihood assessments

Scale	Assessment
5	Very high (50%+)
4	High (40%+)
3	Moderate (25%+)
2	Low (10%+)
1	Very low (<10%)

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Activity	Risk	Resulting Damage	Impact rating (5 = high, 1 = low)	Probability rating (5 = high, 1 = low)	Risk Score (impact x probability)	Risk Management Measures Adopted	Manager with Operational Responsibility	Further Measures to be Considered
1. Strategic Management 1.1	Failure to adopt, adhere to and appropriately review the strategic plan.	Lack of direction and of process in resource allocation and setting priorities; loss of standing and reputation	2	3	6		Principal	Need for renewed Strategic Plan when new Principal appointed
1.2	Failure to attract and retain high quality staff	Lose support as centre of excellence	2	2	4		Principal	
1.3	Failure to attract and retain high quality students (Undergraduate)	Lose support as centre of excellence Concern for funding, recruitment and viability	3	4	12	Discussions taking place with Continuing Education	Principal	
1.4	Failure to attract and retain high quality students (Graduate)	Lose support as centre of excellence Concern for funding, recruitment and viability	2	1	2		Principal	
1.5	Failure to attract and retain high quality students (Ordinands)	Lose support as centre of excellence Concern for funding, recruitment and viability	4	5	20	Investment being made in relations with DDOs	Principal	
1.6	Failure to attract and retain high quality students (Visiting Students)	Lose support as centre of excellence Concern for funding, recruitment and viability	3	5	15	Discussions will take place with Joint Supervisory Committee for VS	Principal	

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1.7	Failure to manage publicity and external relations	Perception dominates reality. Damage to recruitment	3	3	9		Principal and Chairman	PR strategy may need to be developed ?
2. Organisational and Compliance 2.1	Inadequate corporate governance	Potential unmanaged exposures with reputation and financial consequences	3	4	12		Principal and Chairman	Governance manual may need to be refreshed
2.2	Powers exceeded and/or failure to comply with statutory, charity, University or other requirements	Litigation; bad publicity; bad relations with University; need for corrective action	3	2	6	Regular review of policies and procedures; better communication via Weblearn	Principal and Bursar	
2.3	Making of unauthorised commitments	Financial loss; bad publicity	3	2	6	Review of financial controls	Bursar	
2.4	Failure to meet inspection criteria	Various (potentially severe), depending on nature of inspection	5	3	15	More integrated self-evaluation	Principal and SMT	
2.5	Failure to comply with PPH licence	Potentially severe – including revocation of licence	5	2	15	More integrated self-evaluation	Principal and SMT	
3. Students 3.1 Teaching and Assessment	Poor quality, poor organisation	Possible litigation, damage to reputation	3	1	3		Senior Tutor and Principal	

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3.2 Academic and Exam. Results	Poor results	Possible litigation and damage to reputation	1	2	2		Senior Tutor and Principal	
3.3.Welfare 3.3.1	Lack of personal support and care	Possible litigation or injury	2	1	2	Allocation of all students to Fellowship Groups	Senior Tutor	
3.3.2	Health and safety	Possible litigation, risk to person, damage to reputation	4	2	8	Compliance with legislative requirements	Bursar	
3.3.3	Child protection issues	Possible litigation, risk to person, damage to reputation	5	1	5	Appropriate use of DBS (used to be called CRB)	Principal	
3.3.4	Student Travel	Possible litigation, death or injury	2	1	2		Bursar	Risk assessment to be required for all travel on Wycliffe "business"
3.3.5	Pandemics	Possible temporary closure of Hall	3	1	3	Pandemic policy in place	Bursar	
3.4 Discipline	Improper procedure	Litigation, bad publicity	2	2	4		Principal	
3.5 Relationships with Students	Break-down of working relationship; student action	Poor performance, damage to reputation, financial loss	2	2	4	Regular meetings with Senior Students	Principal	
3.6 Administration of Financial Assistance and Awards	Discrimination, improper procedure	Possible litigation and damage to reputation	1	1	1		Bursar	

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3.7 Student Admissions	Not based solely on merit. Discrimination on grounds of race, sex, disability, etc	Litigation, bad publicity, poor relations with University	3	1	3		Senior Tutor	
Recreation and Sports 3.8.1	Sports accidents	Injury; litigation	1	1	1		Bursar	
3.8.2	Behavioural problems	Inconvenience, offensive behaviour, damage to reputation, injury	1	1	1		Principal	
4.1 Academic Staff 4.1.1	Breach of employment legislation, Hall procedures and good practice (including discrimination on grounds of race, sex, disability, religious beliefs, etc)	Litigation; penalties; bad publicity	3	2	6	Ad hoc advice and regular review of procedures by external HR consultant	Principal and Bursar	
4.1.2	Death or long-term incapacity or impaired capacity of Tutor	Dislocation; effect on student development; welfare of other staff	2	2	4		Principal	

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4.1.3	Inappropriate appointment or inadequate performance	Poor performance; difficulty of removal	3	3	9	Annual reviews. Planned reintroduction of peer review/feedback	Principal	
4.1.4	Health and safety	Claims for injuries or death	3	1	3		Bursar	
4.1.5	Inability to attract and retain staff	Recruitment difficulty; age profile; poor morale	2	3	6		Principal	
4.1.6	Unprofessional conduct	Litigation, bad publicity; effect on Hall life	3	1	3		Principal	
5. Non-Academic Staff 5.1	Breach of employment legislation, Hall procedures and good practice (including discrimination on grounds of race, sex, disability, etc)	Litigation; bad publicity	2	2	4	Ad hoc advice and regular review of procedures by external HR consultant	Bursar and Principal	
5.2	Death or long-term incapacity or impaired capacity of staff member	Dislocation; effect on the welfare of other staff	2	3	6	Medium term succession planning	Bursar and Principal	
5.3	Inappropriate appointment or inadequate performance	Poor performance; difficulty of removal; effect on Hall life	2	3	6	Annual reviews. Planned reintroduction of peer review/feedback	Bursar and Principal	

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5.4	Health and safety	Claims for injuries or death	3	1	3		Bursar	
5.5	Inability to attract and retain staff	Recruitment difficulty; age profile; poor morale	2	3	6		Bursar and Principal	
5.6	Unprofessional conduct	Litigation, bad publicity; effect on Hall life	3	1	3		Principal	
6. Ownership of Buildings and Land 6.1	Fire and flood	Death, injury, damage, closure of buildings. Permanent loss of irreplaceable structures and objects	4	1	4	Insurance (incl Business Interruption insurance) in place	Bursar	
6.2	Failure to identify, prioritise and fund maintenance need	Risk to buildings and operations; increased cost; potential major unaccrued liability	3	3	9	Maintenance plan in process.	Bursar/ Treasurer	“Quinquennial” to be introduced
6.3	Health and safety; including: regulatory non-compliance; inadequate risk assessment; delay or failure in implementation	Death, injury, damage to health, project delays; possible loss of reputation	3	2	6		Bursar	
6.4	Equipment failures	Inconvenience, compensation claims, loss of income	2	2	4		Bursar	

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6.5	Project delays and cost overruns	Inconvenience, inability to meet contractual commitments, expense	1	1	1		Project sponsor	
6.6	Failure to meet planning and regulatory requirements	Fines, disruption, remedial expenditure	1	2	2		Bursar	
6.7	Inadequate or insufficient facilities to meet existing/future needs	Operational and, in due course, strategic difficulties	2	3	6		Bursar	
6.8	Inadequate security	Loss of assets; risk of damage from vandalism or protestors	1	1	1		Bursar	
6.9	Inadequate recovery/continuity plan	Delay and increased cost	1	3	3		Bursar	Put continuity plan in place
6.10	Public spaces in Hall grounds	Public health and safety	1	1	1		Bursar	
7. Accommodation and Catering	Food poisoning	Illness, loss of business, damage to reputation, litigation	2	1	2		Sodexo (Bursar)	
7.1.1								
7.1.2	Other health and safety failings	Risk to persons, damage to reputation, litigation	2	1	2		Sodexo (Bursar)	

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7.1.3	Service failures	Inconvenience, damage to reputation, loss of income	2	1	2		Bursar	
7.1.4	Supplier failures	Inconvenience; loss of capability	2	1	2		Bursar	
7.1.5	Security failures	Theft, injury to inhabitants	2	1	2		Bursar	
7.1.6	Major incident: inadequate planning and procedures	Risk to persons and property; damage to reputation; financial loss	4	1	4		Bursar	
7.1.7	Lesser incident: inadequate planning and procedures	Risk to persons and property; effect on Hall life	2	2	4		Bursar	
7.2.Conferences and Tourism 7.2.1	Inadequate facilities	Loss of business	2	2	4		Bursar	
7.2.2	Poor service	Loss of business	2	2	4		Bursar	
7.2.3	Recession and 'event' risk	Loss of business	3	4	12	Contingency plans through Oxford Rooms website for large-scale B&B in the event that conferences cancel	Bursar	
8.1 Financial Management 8.1.1	Fraud and theft	Financial loss	3	2	6		Bursar	

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8.1.2	Inadequate controls or record keeping	Uncertainty as to our financial position; risk of loss	2	3	6		Bursar and Accountant	
8.1.3	Uncontrolled Overspending	Operating losses	2	2	4		Bursar and Accountant	
8.1.4	Pension Risk	Liabilities incurred (from Church scheme)	3	2	6		Bursar	
8.2 Fees and Funding	Failure to collect	Loss of income	2	2	4	Active debtor management	Bursar	
8.2.1								
8.2.2	Set at inappropriate level	Too high: risk being uncompetitive; Too low: financial loss	2	2	4		Bursar	
8.3.3	Change in taxation (charitable status/VAT/Hall taxation)	Financial loss	4	2	8	Establishment of Trading subsidiary; monitoring of position vs VAT threshold	Bursar	
8.4 Fund-Raising	Inadequate records and control of activities	Loss of potential donations	2	3	6		Principal/ Development Officer	
8.4.1								
8.4.2	Lack of strategy or insufficient resources	Loss of potential donations, alienation of potential benefactors	3	3	9	Initial development strategy in place – to be ramped up once new Principal appointed	Principal/ Development Officer	
8.4.3	Poor communication and inconsistent cultivation	Loss of potential donations, alienation of potential benefactors	2	3	6		Principal/ Development Officer	

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9. Information and IT Provision	9.1 Systems failures (including bought-in systems)	Inconvenience, loss of records, disruption to work; possible contractual dispute	2	2	4		Bursar and IT Manager	
	9.2 Lack of resources Inability to develop and make best use of technology	Loss of support , financial and failure to attract students	2	3	6		Bursar and IT Manager	
9.3	Inaccurate or incomplete operational or management information	Inability to control activities effectively and possibility of omissions and uninformed decision making	1	2	2		Bursar and IT Manager	
9.4	Breach of security	Exposure to litigation and reputational and financial loss	3	3	9	Goal is to comply with university guidelines	Bursar and IT Manager	Possible wider review of long term IT strategy
9.5	Misuse of network	Theft, exposure to legal action	2	2	4		Bursar and IT Manager	
9.6	Non-compliance with software licensing laws	Exposure to litigation and reputational and financial loss	2	1	2		Bursar and IT Manager	
9.7	Non-compliance with Data Protection Act	Exposure to legal action	3	2	6		Bursar	
9.8	Non-compliance with Freedom of Information Act	Exposure to legal action	2	2	4		Bursar	

Summary of Risks

Impact	Very High	3.3.3	2.5	2.4		
	High	6.1, 7.1.6,	3.3.2, 8.3.3			1.5
	Moderate	3.1, 3.3.5, 3.7, 4.1.4, 4.1.6, 5.4, 5.6,	2.2, 4.1.1, 6.3, 8.1.1, 8.1.4, 8.4.3,	1.7, 4.1.3, 6.2, 8.4.2, 9.4,	1.3, 2.1, 7.2.3,	1.6
	Low	1.4, 3.3.4, 7.1.1, 7.1.2, 7.1.3, 7.1.4, 7.1.5,	1.2, 2.3, 3.4, 3.5, 4.1.2, 5.1, 6.4, 7.1.7, 7.2.2, 8.2.1, 9.1, 9.5, 9.8,	1.1, 4.1.5, 5.2, 5.3, 5.5, 6.7, 8.1.2, 8.1.3, 8.4.1, 9.2, 9.7,		
	Very Low	3.6, 3.8.1, 3.8.2, 6.5, 6.8, 6.10,	3.2, 3.3.1, 6.6, 9.3, 9.6,	6.9,		
		Very Low	Low	Moderate	High	Very High
Likelihood						

VERSION CONTROL					
Version Number	Policy Gatekeeper	Date of Approval	Committee	Date to Take Effect	Date of Next Review
V.2	AJB	22.5.13	Hall Council	22.5.13	Hilary 2016

It is the responsibility of the Gatekeeper of each policy to check annually whether there have been any legislative and/or University policy changes that are relevant to Wycliffe Hall.